

# Role of Women in Top Management Positions and its Impact on Company Leadership

Shreya Kulkarni

Indira School of Business Studies, PGDM, Pune, Maharashtra, India

## ABSTRACT

Women score 86% higher than men in emotional self-awareness, according to Hay Group. Emotional self-awareness includes understanding emotions and their effect on performance and how those emotions drive one's actions. Adaptability, empathy, and social awareness are also areas within the soft skill spectrum where women excel. Women make up half of the world's population, but they continue to face inequalities in every field, whether in government or non-government organisations, and particularly in leadership because men believe women cannot be good leaders or managers, whereas men agree for women to work at home because men believe women are only good for domestic work.

Attaining gender equality in organisations at all levels is a lengthy and difficult process that necessitates the involvement of the entire firm as well as a strong commitment from top management. "Women constitute half of the world's population, undertake two-thirds of the world's labour, but receive just a third of the world's income," according to UN publications on "women issues of the year 2000." "I make a tenth of its income and hold less than a hundredth of its assets." Women account for more than 40% of the global labour force and half of the global population.

Over the years government seeks to establish policies and programmes to progress women in government companies and organisations. Women produce more than 55 percent of the food grown in developing countries, particularly in rural areas. According to several surveys, women have shown to be successful business owners as well as managers. According to the research, women make up 16 percent of junior management jobs, 4 percent of middle and senior management positions, and only 1% of organisational leadership positions (CEOs).

This paper is based on secondary information. The study focuses on the challenges that women face in India when it comes to top management position and overall leadership and management.

**How to cite this paper:** Shreya Kulkarni "Role of Women in Top Management Positions and its Impact on Company Leadership"

Published in International Journal of Trend in Scientific Research and Development (ijtsrd), ISSN: 2456-6470, Volume-7 | Issue-2, April 2023, pp.1116-1120, URL: [www.ijtsrd.com/papers/ijtsrd56251.pdf](http://www.ijtsrd.com/papers/ijtsrd56251.pdf)



IJTSRD56251

Copyright © 2023 by author (s) and International Journal of Trend in Scientific Research and Development Journal. This is an Open Access article distributed under the terms of the Creative Commons Attribution License (CC BY 4.0) (<http://creativecommons.org/licenses/by/4.0>)



**KEYWORDS:** Social Awareness, Gender Equality, Leadership, Top Management Positions

## INTRODUCTION

When it comes to running businesses professionally, the subject of leadership frequently comes up in conversations. The majority of discussions on this subject have been from the viewpoint of men, leaving capable female leaders with less opportunity to demonstrate their skills. Before getting into the specifics, let us look at the trade-offs that great leader makes when working for his or her company. There are undoubtedly a few fundamental traits that the majority of people connect with leadership. These

traits may include taking risks, independence, dominance, etc.

Gender wage inequality demonstrates that women who reach those positions earn less than their male peers. Though responsibilities increase with a higher position, there is still a difference in the earnings of women and men in positions. Women who do reach higher positions are paid 15% less than men at the same level. Covid-19 has made women important gains in representation, especially in senior

leadership. The pandemic has made women significantly more burned out and increasingly more so than men.

Despite this stress and exhaustion, women are rising to be stronger leaders and taking on extra work that comes their way. Discrimination against women has occurred both at home and in society. While gender disparity has been on the agenda of social study and action for decades in many domains, gender inequality in organizational leadership has been shamefully disregarded. The number of women in the workforce has increased globally throughout time, and with it has come an increase in the number of highly educated women with technical skills. Discrimination against women in the workplace, on the other hand, has hampered their growth in positions that are more prestigious among men. Gender inequality in the workplace manifests itself in a variety of ways, including occupational segregation, wage disparities depending on gender, and discrimination.

Working people have long fought not only horizontal segregation, but also the division of men and women into genders. The inclusion of women on management teams is often linked to a higher level of social commitment and a more participative leadership style. An examination of women's impact at cooperative enterprises, which have distinct organizational and purpose characteristics, reveals that their influence leads to higher motivation and better performance. Increased steps to foster work-family balance, which is crucial for country growth as well as increasing family quality of life, are one benefit of female leadership. Female entrepreneurship and the participation of women on management teams have a favorable impact on organizational social motives and accomplishments. Companies are more likely to implement family friendly practices when women are in charge.

The new cooperative entrepreneurial environment, rather than the old commercial sector, is more conducive to this type of approach. In fact, community-based firms have risen to prominence as important tools for women's empowerment. Without singling out heroic individual entrepreneurs, greater capacity development can be achieved by encouraging this entrepreneurial ecosystem at the collective level. These new female business executives have a higher impact and influence on their organizations' activities than they would be able to have in traditional corporations from a participative standpoint.

A recent study came to this conclusion after highlighting an example of a place where such a

dynamic is developing. Female leaders today confront the issue of determining how to have a greater impact on mixed-gender management teams. Women have the best chance of achieving this aim through cooper.

## Review of Literature

1. Smith et al. (2006) found a significantly positive effect of the proportion of women in top management on firm performance as measured by gross profits to sales. Moreover, they also found that qualification of top female managers played a significant role of having women in top management positions.
2. US firms during 1996-2000 were analyzed by Joy et al. and it was found that there was a positive relationship between the proportion of women in top management and firm performance. Some evidence shows that there is no significant relationship in some cases.
3. Non-financial firms data was used by Campbell and Mínguez-Vera (2008) which was listed on the continuous market in Madrid during the period from 1996 to 2000 and found that firm value and the relationship between the percentage of women was not significant.
4. Carter et al. (2010) examined the sample of 641 US firms in the S&P 500 index, and they were unable to find any significant relationship between the number of women directors and Tobin's Q. Contrary to these findings, some scholars find that female-owned firms have lower level at firm size, survival rate and growth.
5. It was found by Singh et al. (2001) that employment growth rates of female enterprises were significantly lower than those of male enterprises in an analysis of micro and small enterprises in Java.
6. Ting and Zheng (2010) used an empirical analysis to support a positive relationship between the degree of female participation and firm performance in Chinese privately owned companies. The positive relationship was further strengthened by female top executives' human capital and social capital. Using a sample of Chinese GEM companies taken from Effect of female participation 109 2009 to 2010,
7. It was found by Ping and Qihong (2012) that female executives had a positive significant effect on technological innovation. There was strengthening of Human capital by positive significant effect of female executives on innovation performance.
8. Eagly and Johnson (1990), they found that there is gender stereotype between male and females. Through this research they found out that women more than men manifested relatively

interpersonally oriented and democratic styles and men more than women manifested task oriented and autocratic style.

9. Bass and Avolio( 1994), stated that female leaders have more transformational style of leadership which is quiet commonly perceived as positive.
10. Eagly, Makhijani, and Klonsky's (1992) demonstrated that female leaders were perceived slightly negative as compared to male leaders and the male participants tend to devalue these females. This reason may prevent females for aspiring and reaching to to high management positions.

### **The Positive Impact of Female Leadership:**

Women constitute half of the working-age population in the world. Companies led by women seem to have traditionally fared better than their counterparts have during times of financial crisis. A study carried out by Pew Research Center on women and leadership suggests that there is little difference between men and women in key leadership traits such as the ability to innovate and intelligence, while many observe that they are even better than men are, when it comes to being compassionate and organized. Benefits of women leadership in different sectors are manifold and they are as significant as those from male leadership are. Women leadership is found to be good for financial health of an organization.

Organizations having females as board members show significantly better financial performance than those having low female representation. Better financial health of the organization leads to better job opportunities, higher productivity, and more growth and development. Various studies have found that women are equipped with better relationship building skills. They are also found to be good at inspiring and motivating others. Women's presence on management teams is generally associated with a stronger social commitment and a more participatory leadership style. An analysis of women's impact at cooperative enterprise, which have specific characteristics in terms of organizational and purpose shows that their influence leads to greater motivation and better results.

One benefit of female leadership is an increase in measures to promote work family balance, which is important for country development as well as for improving family's quality of life. Women Unify Diverse Groups Women as such symbolize unity and cooperation. They are pivotal to the survival of a family – a basic social organization. This quality of unifying diverse minds in a family is an essential feature of successful leadership. A true leader acts as a unifying force to bind the team or the group of

followers together and successfully leads them to achieve the goal. Women possess such quality substantially and this makes them great leaders. Diversity refers to the existence of different people with different interests, characteristics, and attitudes.

A woman leader sees diversity as an advantage to secure a balanced and unique relationship in a group. She continues to lead by unifying diverse interests, attitudes and desires inherent in a group. The idea of diversity also includes respect and acceptance. It means understanding every person is unique and identifying their individual distinctions. Self-owned qualities like compassion, patience to listen to others, giving due importance to personal development of the followers, democratic approach to solve intrigues and above all womanly consideration of fellow human beings make women a preferred choice for leadership amidst diverse groups.

These qualities help the women leaders bind diverse groups together for larger interest and for the realization of the ultimate goals. Women Improve Interpersonal Relationships to be a successful professional or a successful leader in this age of science and information technology, communication skills are an absolute necessity. An organization functions smoothly, if there is effective interpersonal, interdepartmental, and external communication system. Within the organization, both upward and downward communication needs to be operating to facilitate effective and timely communication among the employees and departments of the organization.

In matters of building relationships, female leaders are consistently rated higher than their male counterparts are. Being skilled at building in-house relationship, women are also quite likely to do well at building outside relationship; for instance, creating new clients or negotiating difficult contracts for the company they lead. Women fare brilliantly when it comes to communication at personal level. They are quite deft at communicating with others and score higher than men score on this front. Ability to communicate with people is a fundamental need to become a successful leader. Women possess this skill naturally.

Women tend to be better listeners than men are and this makes them an effective communicator. Good communicators are excellent listeners. Effective communication skills begin with listening. Women are comparatively better at both listening and communicating. Women Value Accountability is also an important leadership quality. Women seldom ignore their accountability on any issue. It is seen that women are more accountable than men are. Accountability may not help in motivating others, but



is highly inspiring. A leader who understands the value of accountability never puts the onus of any loss or blunder on the individual members of a team. The leader rather shoulders the responsibility. It motivates the team members to undertake any assignment without any compunction and fear.

**Women in leadership bring better business performance:** In senior management, gender balance is defined as 40-60% of either gender, which is the same as in the broader workforce. According to the survey, when women hold 30% of senior management and leadership positions, the positive effects of gender diversity begin to accumulate. However, nearly 60% of businesses fail to accomplish this goal, making it difficult for them to reap the benefits. Furthermore, women make up less than one-third of entry-level management hires in nearly half of the organizations studied, implying that the pipeline to senior management may not be delivering the talent required.

Almost three-quarters of the businesses polled said yes. More specific actions are needed to ensure that women are visible and promoted to strategic areas of business, according to the report. had equal opportunity or diversity and inclusion policies, but the report says more specific actions are needed to ensure that women are visible and promoted to strategic areas of business.

There have been some important reasons discovered that restrict women from obtaining decision-making roles.

Enterprise cultures that demand "anytime, anywhere" availability disproportionately affect women due to their domestic and family responsibilities, whereas policies that promote inclusivity and work-life balance (for both men and women), such as flexible working hours and paternity leave, need to be improved.

Another aspect is the "leaky pipeline," which refers to the propensity for the share of women in management positions to decrease as the level of management rises. The "glass wall" refers to the prevalence of female executives in non-strategic positions like as HR, finance, and administration. It is less likely to lead to CEO or boardroom jobs. Only about a third of the companies polled had reached the critical mass of one-third female board members. Around one-eighth of respondents said their boardrooms were still all male. Male CEOs were found in more than 78 percent of the businesses that replied, while female CEOs were more likely to be small businesses.

"The commercial argument for more women in leadership positions is compelling," France-Massin added. "Women represent a powerful talent pool that

firms aren't making enough of in an era of skill shortages." Genuine gender diversity should be a vital component of any company's business plan if it wants to succeed in the global economy. Employer and corporate membership, as well as representative business associations

**The problems facing women in leadership positions:** Worldwide Women face both benefits and challenges because of globalization. Senior managers and top executives will have additional duty and expectations because of this. Top executives are forced to relocate to new towns, cities, and nations on a regular basis due to relocation and timeline pressures. This is one of the major obstacles for women who have families and a working spouse or significant other. In fact, adjusting to different cultures and social conventions is a bigger concern than family issues.

Despite the fact that women are thought to have a natural aptitude to adapt, many women were unable to absorb the culture shock and struggled in their new circumstances. Similarly, women may encounter discrimination. Other cultures have female leaders. "Many countries will simply refuse to work with a female executive due to their views and opinions that women are incapable of running a successful corporation."

Many male senior executives and top management leaders simply assert that women have no desire to excel in their existing positions. However, according to a fascinating study, 55 percent of women who are not in management positions want to be at the top of their firms. Many women, according to Annis, lose interest in climbing the corporate ladder because of the numerous obstacles they face along the way to becoming a manager. Discrimination, stereotyping, prejudice, familial demands, and a lack of chances are all impediments.

For many women, they are still the primary caregivers for their families. As time constraints and job expectations become more critical, many women are forced to choose between personal and professional aspirations. According to a survey, few female CEOs and executives have children due to the potential negative influence on their careers.

In comparison, many women have voluntarily quit their jobs due to family obligations. Despite the fact that the number of women taking maternity or childcare absences is decreasing, 32% of women still leave their jobs after having children. Because of her responsibilities at home, many women are unwilling to travel or work long hours once they have children. Education is a fundamental right. Regardless of the government, policies.

There are still 960 million individuals worldwide who are illiterate, with women accounting for two-thirds of the total. More government policies and regulations should be geared toward skill-based learning, the promotion of female entrepreneurship, and free credit support for women's empowerment. Only by removing these barriers will we be able to progress as a society as a whole. Working conditions that are better.

In certain countries, such as France, women are given a number of leaves and incentives during pregnancy, as well as other benefits such as vacation, to help them. Such guidelines must be implemented in all private and governmental sectors in many developing countries to assist women in adjusting to all areas of their lives. These activities can help them achieve their goals.

### Objective of the Study:

1. Demonstrate how these prejudices affect how well women perform at work and keep them from advancing to top management positions.
2. Gathering information from women who decided to form their own organizations after they had worked in a large organization about some of the decision-making factors and socio-personal constraints that affect such entrepreneurship.
3. To conduct interviews with women on top management level positions, in order to find a relation between stereotypes and the leadership styles.

**Research Methodology:** This is a non-empirical form of research, which includes analysis-performed from various published articles, websites, researches, professional

Publications and journals. These are all secondary data based references and it is great to refer to these as every research shows a point to believe that their work is genuine and fruitful by its own paperwork.

**Conclusion:** According to the research, Intergenerational leadership is a positive for both the leader and the followers. As a leader, you are supporting those around you while they are supporting you with the different leadership traits the different generations bring to the table. Traditionalist bring their strengths of history and mentorship. This generation has been around the longest and will have the most advice for working with each generation. Most CEO's consist of the baby boomer generation. They are the ones that will help you understand any fault you might have in your leadership and they will help you with game planning ways to overcome those barriers.

When you understand Generation X, you will have a group that can help you focus on results and think globally. Women from generation X will show you how to be better at balancing your career and your life at home. The barriers and problems women face don't stop once you gain access to a position they tent to continue so you want to make sure you have your colleagues and the network you built to support you along you time in leadership. Looking at the facts presented above, women in today's world can flourish in any field.

The favorable nature of society and the environment can assist women in achieving work-life balance and provide a greater opportunity for women to attain higher life goals. With the help of technology, higher education, and strong family support, women can demonstrate that they are no longer inferior to men, and that they demand the same incentives, rewards, courage, and support to achieve more gender equality.

### Reference:

- [1] <https://www.sundyotanumandis.com/about>
- [2] <https://en.wikipedia.org/wiki/Leadership> - Leadership
- [3] <http://tulipleader.net/Content/Dosyalar/4.pdf> - Journal Women Leadership
- [4] <https://www.ingentaconnect.com/content/wk/acm/2016/00000091/00000008/art00014>
- [5] Women and Leadership: Real Lives, Real Lessons by Julia Gilard Nakizi Ikonjo
- [6] Indian Women in Leadership by – Rajashi Ghosh Gary N Mc Lene
- [7] How Women Rise By - Sally elgesen, Marshall Goldsmith
- [8] Desvaux, G., Devillard-Hoellinger, S., & Meaney, M. C. (2008). A business case for women. The McKinsey Quarterly, 4, 26-33.
- [9] Schein, V. E. (1975). Relationships between sex role stereotypes and requisite management characteristics among female managers. Journal of applied psychology, 60(3), 340.
- [10] Eagly, A. H., Karau, S. J., Miner, J. B., & Johnson, B. T. (1994). Gender and motivation to manage in hierarchic organizations: A meta-analysis. The Leadership Quarterly, 5(2), 135-159.
- [11] Oakley, J. G. (2000). Gender-based barriers to senior management positions: understanding the scarcity of female CEOs. Journal of business ethics, 27(4), 321-334.
- [12] Powell, G. N., Butterfield, D. A., & Parent, J. D. (2002). Gender and managerial stereotypes: have the times changed. Journal of Management, 28(2), 177-193. Priola, V. (2007).